

NEW SOUTH WALES.BUSINESS STATISTICS - 25th FEBRUARY, 1941.

Economic tendencies are favourable to intensification of the war effort. Seasonal conditions are fully restored. Trading appears normal. Small savings show marked increase. Employment, continues to expand, particularly in war industries and factory production is at a record level. Demands on public transport services and gas and electricity undertakings have increased accordingly. Industrial conditions seem more settled.

Building enterprise is still considerable but seems inclined to decrease.

C O N T E N T S.

## PART

- I. Season: Favourable.
- Export Prices and External Conditions: Prices mainly steady. Shipping difficulties. Conditions in U.K. - industrial mobilisation, food and finance. U.S.A. - Aero exports, 1940, Public debt limit raised. Consul-General on Japanese-Aust. trade.
- Currency Relationships: Sterling steady in New York. British financial aid to Greece.
- Wool: Main appraisements ending. Wool received and appraised in Sydney. Increased price of wool for manufacture for export. Strong wool demand in U.S.A.
- Wheat: New crop deliveries in Australia. Wheat sold Jan. 1 to Feb. 15, 1941. Local market quiet.
- Butter: Production heavy. Increase in British butter ration.
- Metals: Sharp rise in price of tin. Tin statistics.
- II. Wholesale Trade: Employment (N.S.W.) - January, 1941.  
Sales under Sales Tax Acts - Nov. and Jan.-Nov., 1940
- Retail Trade: Employment (N.S.W.) - January, 1941.
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42 large Factories - Sales, etc. - Dec. & Year, 1940.
- Gas & Electricity: Index of Consumption (Sydney) - January, 1941.
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Coal Hauled on N.S.W. Govt. Rlys. - January, 1941.
- Motor Vehicles, N.S.W.: New Vehicle Sales - January, 1941  
No. of Registered Vehicles at Jan. 31, 1941.
- Railways, N.S.W.: Passengers, Freight and Finance - Dec. & July-Dec., 1940.
- Trams & Buses: Passengers and Finance - Dec. and July-Dec., 1940.
- Building Permits: (Metropolis) Value and  
No. of Dwellings - January & July-Jan., 1940-41.

## PART I. PRIMARY AND EXPORT INDUSTRIES.

SEASON. Generally satisfactory seasonal conditions prevail throughout New South Wales. Wheat lands are carrying good reserves of moisture and are in good condition for crop preparation. Late maize has grown prolifically and heavy pastures offer opportunity for hay and silage making for future needs.

EXPORT PRICES AND  
EXTERNAL TRADE  
CONDITIONS.

Australian export prices, largely determined by contracts arranged for major commodities with the British Government, are steady at about 25 per cent. above the average for the pre-war year, 1938-39. It is probable that shipping space will not admit of exports in the same volume as last year and thus the combined result of price and quantity may mean a somewhat lower export income in 1940-41 than in 1939-40. Only in the case of wool is payment required irrespective of shipment.

Once again in the week ended February 9/10 mercantile marine shipping losses by enemy action (29,806 tons) were below average. Delays in the turning round of ships in United Kingdom ports are being investigated. The British Government's powers of compulsory industrial mobilisation are still unexercised though Mr. Bevin admits the man-power problem is becoming "most difficult". The curtailment of supplies of raw material may halve cotton output and lead to transference of labour to war industries. A Government campaign to avoid waste of food and to ensure even rationing has begun. Lord Woolton revealed last week that subsidies for meals for mothers and children of the poorest families run into £stg.82 m. a year. Britain's war expenditure is now at the rate of about £stg.4,500 m. a year, and there is much popular concern regarding the inadequacy of financial policy and some fear of inflation unless early measures are taken to earmark increases in spending power for war needs.

The United States' Senate is still debating the Lend-or-Lease bill. Defence industries are speeding up in America, and on the New York Exchange prices of industrial shares have begun rising after touching the lowest level for about eight months on Feb. 14, 1941. United States aeronautic exports in 1940 totalled \$312 m. including \$134 m. to U.K., \$34 m. to Canada, \$16 m. to Australia, \$11 m. to China and \$6 m. to the Dutch East Indies.

An increase in the United States public debt limit from \$49,000 m. to \$65,000 m. has been authorised (to cover rearmament and aid to Britain) and all future Federal securities are to be subject to income tax.

The Japanese Minister to Australia is to arrive in Sydney on March 13, 1941. Last week the Japanese Consul-General stated that Japan wanted to buy more wool and wheat from Australia and was willing to supply goods essential to the war effort.

INTERNATIONAL  
CURRENCY  
RELATIONSHIPS.

In the free market in New York sterling continues to exchange for dollars at approximately the official rate of exchange in London (£4.03 to £stg.)

According to a recent press report British credits have been provided for the Bank of Greece to cover an increase in the fiduciary issue of about 33 per cent. in the year ended January 31, 1941, and to increase the reserve of foreign exchange from £stg.6 m. to £stg.18 m. in 1940. The Governor of the Bank also revealed that a great deal of economic assistance had been given Greece by Great Britain.

WOOL. For the sixteenth successive season the turnover of wool in the Sydney market has exceeded a million bales. From July 1, 1940 to February 20, 1941 there were 1,091,402 bales received in Sydney, compared with 1,155,690 bales in the corresponding period of 1939-40. With last week's catalogues appraisements this season totalled 1,015,593 bales or 80,265 bales more than to the same date of last year. The main appraisalment series ended today (Feb.25) but further series to dispose of autumn shorn wool, crutchings and fellmongered wool will be arranged before the season closes on June 30.



Acting under the powers reported in B.S. 1941/2B, p.2, the Central Wool Committee has increased the price to manufacturers of wool for export to 25 per cent. above the present basic price which is  $7\frac{1}{2}$  per cent. above the appraised price. In fixing the price the Committee took into consideration the United Kingdom export prices for Australian wool, and export prices of Australian wool tops as determined by it. A discount of  $2\frac{1}{2}$  per cent. on the clean scoured cost of the wool used in manufacture of goods for Empire Government Military account is to be made. Goods made for domestic consumption or for the Dept. of Supply and Development for export on Empire Government Military account will not be subject to the increase of 25 per cent. if the Committee is satisfied that the goods have been so distributed. Manufacturers must supply particulars of export orders and may undertake them only with the prior consent of the Central Wool Committee. The effect of these steps is to give growers benefit for the full export value of the wool and to place Australian manufactures on a fairer competitive basis in relation to British exporters.

It is reported that in New York wool tops are now more than 50 per cent. above the immediate pre-war level. American mills are very busy and in January were estimated to hold unfilled orders (about one half civilian) for 50 to 55 million yards of men's fabrics.

Agreed average prices under the British purchase of Australian wool (13.4375d. Aust. a lb. greasy) in 1939-40 and 1940-41 compare with pre-war levels as follow:-

AVERAGE PRICE OF GREASY WOOL IN SYDNEY.

	<u>1931-33</u>	<u>1936-37</u>	<u>1937-38</u>	<u>1938-39</u>	<u>1939-41</u>
Pence (Aust.) per lb.	8.5	16.4	12.7	10.3	13.4 $\phi$

$\phi$  Agreed price for Australian clip (13.4375d. Aust.) per lb.

WHEAT. Futures quotations in Chicago and Winnipeg firmed a little over the past week but on Feb. 21 in Chicago were about 6 cents a bushel lower than at the beginning of this year. Moderate sales of Canadian wheat to Portugal were reported recently and there has been British buying in the Argentine - possibly for Spain. World shipments continue very small.

According to a statement by the Australian Wheat Board, deliveries of this season to February 15, were 62.2 m. bus., including 16.5 m. bus. in New South Wales. Only South Australia and Western Australia have wheat available for export - in all about 22 m. bus. above estimated domestic and milling (local and export) requirements. Of  $10\frac{1}{4}$  m. bus. of wheat sold between Jan. 1 and Feb. 15, 1941 only 500,000 bus. were for export. Lack of shipping is retarding wheat and flour exports.

From London it was reported (Feb. 23) that Australian wheat is in steady enquiry in the Far East. The local market has been very quiet. The Board's quotations are unchanged. For bulk wheat for local flour the price is 3s.  $11\frac{1}{4}$ d. a bus. ex trucks, Sydney. Flour is steady in price at £12.13s. a ton wholesale in Sydney.

Wheat prices in New South Wales compare as under:-

PRICES OF WHEAT IN NEW SOUTH WALES.

	Seasons ended November.				January		Feb. 25,
	Av. 1931-35	1937	1939	1940	1940	1941	1941.
	Shillings and pence per bushel.						
<u>Bulk Wheat.</u>							
Ex trucks, Sydney	2 9 $\frac{1}{2}$	5 3	2 5	-	3 9 $\frac{1}{2}$ (b)	3 11 $\frac{1}{4}$ (b)	3 11 $\frac{1}{4}$ (b)
Equivalent, ex farm at Country sidings	(a) 2 2 $\frac{1}{2}$	4 8	1 9 $\frac{1}{2}$	(c)	(c)	(d)	(d)

(a) Exclusive of bounty. (b) Prices for sale for local consumption.

(c) Advances made give farmers about 2s. 10d. (net) a bus. for 1939-40 bulk wheat.

(d) Not yet ascertainable. Initial advance is equal to about 2s. 5d. (net) a bus. at country sidings.

BUTTER.....

## PART I (Continued.)

BUTTER. In most coastal dairying districts butter production is now at a seasonal peak and some factories are working to capacity. There is abundant pasturage and autumn production is expected to be heavy.

Recently it was reported that the exportable surplus in New South Wales is being used to build up stocks, and for the present shipments for the United Kingdom are to be made only from other States. The price of butter (wholesale) in Sydney remains at 158s. 8d. a cwt.

In Great Britain the total fat ration is unchanged at 8 oz. per person a week but as from March 10, 1941 the maximum proportion of butter in the ration is to be 4 oz. instead of 2 oz. This increase is due to seasonally heavy shipments arriving in the U.K. from the Dominions.

Trends in the prices of butter were as follow:-

## PRICES OF BUTTER - SYDNEY - EXPORT AND LOCAL.

	Average - Seasons ended June.					Feb. 25, 1941.
	1929-32	1933-36	1937-39	1939	1940	
	Shillings (Australian) per cwt.					
Export Parity	135	88	122	123	137(a)	137(a)
Local Sales	173	134	150	159	159	159

(a) Agreed price for British purchase, 1939-40 and 1940-41.

METALS. Over the past week there was a sharp rise (of £stg. 17 a ton) in the price of tin on the open market in London. On February 21, 1941 the price was £stg.283 compared with £stg.256.15s. a ton at the opening of the month but yesterday (24th) the mean price went lower to £stg.279. 10s. a ton. The situation in the Far East, where upwards of two-thirds of world tin production is located, and confidence that America will continue building up reserves of that metal are factors in the demand for tin, while the statistical background is also a strong point:-

<u>Tin -</u>		<u>1939</u>	<u>1940</u>
		tons	tons
World production	January to Nov.	156,200	209,800
Deliveries in U.S.A.	" " "	60,530	106,139
Consumption in U.K.	" " Oct.	21,244	24,904
World stocks (incl. smelters' stocks and carry-over)	At Nov. 30	50,607	55,278

The price of silver in London has varied very little over the past ten weeks and on Feb. 21, 1941 was 2s. 11<sup>3</sup>/<sub>8</sub>d. (stg.) an oz.

The British Ministry of Supply maximum prices for copper, lead and spelter in London (delivered to buyer, duty paid) have been unchanged since early in December, 1939 at:-

<u>Copper</u> (Electrolytic)	<u>Lead</u> (Soft Foreign)	<u>Spelter</u>
Per ton (stg.) £62. 0. 0	£25. 0. 0	£25. 15. 0



## PART II. FINANCE AND TRADE.

WHOLESALE TRADE. Changes in range of and introduction of differential rates/sales tax as from Nov. 22, 1940 (see B.S. 1940/11C, p.5) may cause differences in the direction of spending but perhaps will have little effect upon trading as a whole. Direct factory sales of war materials to the Government are likely to increase in proportion, while import restrictions and greater concentration of industry upon war goods are likely to reduce the volume of civilian trade, especially in non-essentials.

Sales recorded in New South Wales under the Sales Tax Acts in November, 1940 amounted to £18.13 million compared with £17.53 m. in Nov., 1939. In the eleven months ended Nov. of 1940 compared with 1939, there was an increase of 2.1 per cent. in the value of sales, but as there has been an appreciable increase in prices, the volume of trade appears hardly maintained.

Particulars of employment with wholesale firms with ten or more employees show a normal seasonal movement from Dec., 1940 to Jan., 1941 and very little change over the past two years.

## WHOLESALE TRADE - NEW SOUTH WALES.

	Sales by Registered Traders.			Employment in Wholesale Firms with Ten or More Employees.		
	Month of November	Eleven Months ended November.	Increase over Jan.-Nov. of Preceding Year.	November	December	January <sup>+</sup>
	£ million	£ million	Per cent.	Persons	Persons	Persons
1932	11.05	112.50	1.6	(June, 1933 - 17,638)		
1937	17.35	174.66	18.1	25,015	25,335	24,523
1938	16.93	175.94	0.7	25,814	26,340	25,381
1939	17.53	181.97	3.4	26,200	26,468	25,614
1940	18.13	185.76	2.1	26,028	26,326	25,649

<sup>+</sup> Following year.

RETAIL TRADE. Normal trading appears to have been experienced in retail shops in recent months. Increases in the money value of sales seem roughly to counterbalance the rise in retail prices and although income of the wage-earning group has risen, increased taxation and voluntary saving have absorbed much of the added spending power. Employment in New South Wales in retail firms with ten or more employees has undergone few other than seasonal changes over the past two years. In the middle week of January, 1941 there were 51,990 such employees compared with 51,304 in January, 1939. Movements were as follow:-

## EMPLOYEES IN RETAIL FIRMS WITH TEN OR MORE EMPLOYEES, N.S.W.

	1938	1939	1940	1941
Increase - Five months ended Jan.	848	- 19	119	262
Decrease - December to January	6,568	7,412	6,595	8,367

The main movements in comparison with one and two years ago are an increase in retail employees in the Newcastle area and a small decrease in country towns. In the City of Sydney employment was increasing slowly until recently but in Jan., 1941 there were not quite as many persons employed as a year previously.

## EMPLOYMENT IN RETAIL TRADE - NEW SOUTH WALES.

Middle week of January.	Sydney		Newcastle District	Country Towns	Total - N.S.W.	
	City	Suburbs			Number	Increase in year
	Persons employed in firms with ten or more employees.					
1938	35,554	4,048	2,499	8,695	50,796	1,313
1939	36,067	4,085	2,435	8,717	51,304	508
1940	37,326	4,001	2,494	8,551	52,372	1,068
1941	37,014	4,046	2,604	8,326	51,990	-382

/City.....

## PART II. (Continued.)

City Shops. Christmas trade in the city was buoyant and in a group of large shops the value of sales in December, 1940 was 5.7 per cent. greater than in Dec., 1939. There were increases in all classes of goods other than electrical (-7.6%) and sports and travel (-5.4%) compared with a year earlier, particularly in general hardware (10.8%), women's wear (9.9%), furniture etc. (8.3%) and books, stationery, etc. (6.9%). In December quarter sales in these shops were 7.8 per cent. greater in value in 1940 than in 1939. Three monthly moving averages indicate that the movement in prices taken into consideration, business in these shops has remained remarkably steady:-

## THREE MONTHS ENDED -

	<u>1940</u>	<u>June</u>	<u>July</u>	<u>Aug.</u>	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>
Increase over same period of 1939 -		6.3%	5.6%	7.3%	7.5%	5.5%	5.9%	7.8%

Stocks in these city shops were 9.8 per cent. higher in value at the end of 1940 than of 1939, and there were 1.9 per cent. more employees to whom 4.9 per cent. more was paid in salaries and wages than in December, 1939.

SAVINGS BANKS.

In the aggregate about £6<sup>1</sup>/<sub>4</sub> million was accumulated in New South

Wales in the seven months ended January, 1941 by additions to savings bank accounts and the net amount paid for War Savings Certificates. This exceptional movement in small savings is attributable mainly to greater employment and higher wage-earnings due directly and indirectly to the rapidly expanding war effort, reinforced by patriotic motives. Over the same period the number of open accounts in savings banks increased by 39,908.

The addition of £688,000 to savings bank balances in January, 1941 was the greatest increase for January of recent years. Small savings have accumulated month by month as follows:-

<u>1940-41</u>	<u>July</u>	<u>Aug.</u>	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>Jan.</u>	<u>Total</u> <u>7 months</u>
Increase (+) or Decrease (-). In £ thousand.								
Savings Bank Deposits	+ 24	+939	+753	+741	+542	-226	+688	+3,461
War Savings Certificates <sup>N</sup>	+1189	+444	+293	+305	+225	+199	+150 <sup>ø</sup>	+2,805 <sup>ø</sup>
Total	+1213	+1383	+1046	+1046	+767	- 27	838 <sup>ø</sup>	+6,266 <sup>ø</sup>

<sup>N</sup> Purchases, less repayments at actual cost. <sup>ø</sup> Approximation.

Comparative particulars of savings bank deposits and open savings accounts are as follow:-

## SAVINGS BANKS IN NEW SOUTH WALES.

	Depositors' Balances		Increase in Deposits		Open Savings Accounts	
	At 31st Dec. <sup>ø</sup>	At 31st Jan.	In Jan.	In year ended Jan.	At 31st Dec. <sup>ø</sup>	At 31st Jan.
	£000	£000	£000	£000	000	000
1937	79,467	79,740	273	815	1,199	1,209
1938	82,819	83,283	464	3,543	1,265	1,278
1939	86,645	86,824	179	3,541	1,325	1,334
1940	86,581	86,716	135	(-) 92	1,327	1,336
1941	84,884	85,572	688	(-) 1,144	1,343	1,353

Minus sign (-) denotes decrease. <sup>ø</sup> of preceding year.



## PART III INDUSTRIES.

EMPLOYMENT. Between the middle weeks of December and January, 1941 there was a smaller seasonal decrease in employment in New South Wales than in any of the preceding three years. The number of persons employed in mid-January, 1941 (885,514) was 34,159 and 65,138 greater than one and two years earlier. This new high level in economic activity is attributable primarily to the expansion of war industries, heavy Government disbursements on the war and the increase during the war period in purchasing power of primary producers. The growth in factory employment (30,900 since Jan., 1939) is the outstanding element in the increase. In all private employment there was an increase of 27,531 persons in the year ended January, 1941 and in the same period Government employees (State, Federal and semi-Governmental authorities) increased by 7,800. A decrease in local government employees has been continuous over the past three years.

## INCREASE IN PERSONS IN EMPLOYMENT IN NEW SOUTH WALES.

	In Private Employ.	In Govern- ment Employ.	In Local Gov't. Employ.	In All Employ.	In All Factories.
Jan. 1937 to 1938	40,276	7,560	4,620	52,456	18,000
" 1938 to 1939	(-) 527	3,800	(-) 2,720	553	800
" 1939 to 1940	29,631	3,100	(-) 752	30,979	12,800
" 1940 to 1941	27,531	7,803	(-) 1,175	34,159	18,100

(-) denotes decrease.

Though there was a reservoir of unemployed labour this has been greatly reduced. (The number of adult males registered at State Labour Exchanges as unemployed was 28,583 at the end of January, 1941 compared with 50,851 in May, 1940). It is apparent, enlistments in the armed forces and the large increase in employment considered, that many persons from the hitherto non-wage earning classes have been drawn into industry. It is also likely that the further expansion of war industries now in progress and contemplated new developments such as shipbuilding will necessitate transfer of labour from non-essential civilian production, as well as extensive training of workpeople for skilled and semi-skilled occupations. In this connection a special Commonwealth Parliamentary Committee representative of all parties is to survey resources of labour and of industrial capacity to ensure achievement of the maximum industrial war effort.

The following particulars of employment, showing movements over the past five years afford an indication of the outstanding influence of the war upon the economic structure of this country. The development of secondary industries (reviewed in the succeeding note) has dwarfed all other movements; in industries connected with civilian consumption the level of employment has barely been maintained throughout the war period. Higher taxation, savings, and possible curtailment of production and supplies of non-essential goods may give increasing strength to present tendencies toward concentration of effort upon activities which increase the capacity for defence and warfare.

## EMPLOYMENT IN NEW SOUTH WALES.

(Excluding Relief Workers and Men in the Armed Forces not on Civil Paysheets.)

	Persons Employed in Middle week of -						Increase: Jan., 1941 over -	
	Jan., 1937.	Jan., 1938.	Jan., 1939.	Jan., 1940.	Dec., 1940.	Jan., 1941.	Jan., 1940.	Jan., 1937.
All Employment	767.4	819.8	820.4	851.4	907.3	885.5	+ 4.0	+ 15.4
Private "	630.6	670.9	670.4	700.0	749.1	727.5	+ 3.9	+ 15.4
All Factories	204.3	222.3	223.1	235.9	259.0	254.0	+ 7.7	+ 24.3
<u>In Firms with Ten or more Employees -</u>								
Mines	18.5	20.6	21.4	20.8	21.3	20.6	- 0.6	+ 11.4
Retail Trade	49.0	50.8	51.3	52.4	60.4	52.0	- 0.8	+ 6.1
Wholesale Trade	23.8	24.5	25.4	25.6	26.3	25.6	0.0	+ 7.6
Offices & Commerce	25.4	26.0	27.1	29.2	29.7	29.6	+ 1.4	+ 16.5
Ship'g & Rd. Transport	20.1	21.7	19.5	20.9	22.0	22.0	+ 5.3	+ 9.5
Personal Services	26.2	27.5	29.3	29.5	31.0	30.8	+ 4.4	+ 17.6
Other Industries	19.1	20.0	19.5	18.6	18.4	17.8	- 4.3	- 6.8

∅ Includes hospitals, professions, amusements, hotels, etc. (-) denotes decrease.

## PART III (Continued)

MANUFACTURING INDUSTRIES. Factory employment decreased seasonally from Dec., 1940 to Jan., 1941 but over the year ended January, 1941 there was an increase of 18,100, which, with the increase of 11,200 in the first five months of the war makes a total gain of 29,300 persons or of 13 per cent. during the war period. In the middle week of January, 1941 there were 254,000 persons employed in factories in New South Wales, and the index number of factory employment was 141 (average 1928-29 = 100). The expansion of the secondary industries, illustrated by employment statistics as under, is due to the establishment of varied and extensive war industries, but was possible because of post-depression virtual duplication of the capacity of the basic heavy iron and steel industry.

## PERSONS EMPLOYED IN ALL FACTORIES IN NEW SOUTH WALES.

	Number (Thousands) Employed in Middle week of -						Increase in -		
	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Year ended Jan.	5 Mths. ended Jan.	Dec. to Jan.
1937-38	219.3	221.1	224.0	226.1	228.1	222.3	18.0	3.0	- 5.8
1938-39	229.0	229.9	230.7	230.8	230.1	223.1	.8	-5.9	- 7.0
1939-40 (a)	224.7	227.4	232.6	236.7	240.4	235.9	12.8	11.2	- 4.5
1940-41 (a)	243.9	246.2	249.6	252.5	259.0	254.0	18.1	10.1	- 5.0

(a) Subject to revision. (-) denotes decrease.

Certain tendencies toward labour difficulties, including opposition to overtime work are apparently being overcome, but the decision of the Commonwealth Government to undertake "a substantial programme of merchant shipbuilding" (for which £6 million is to be provided) will tax further available resources of skilled labour and of technical training. Australia will be called upon to supply much war and other material to Empire countries East of Suez through the auspices of the Eastern Group Supply Council and the demands upon local industry are likely to increase greatly.

Particulars of employees in factories with ten or more employees in New South Wales show striking increases in industrial metals, chemicals &c., textiles and clothing, and food factories over the past two years. In other industries mainly identified with home consumption - brick-works, wood working and furniture factories, and printing and paper works employment has moved very little. Though civilian demand for rubber products has diminished, the supply of tyres, etc. for mobile defence vehicles has kept rubber factories busy. Percentage changes over the year ended Jan., 1941 are shown at foot of the table:-

## EMPLOYMENT IN FACTORIES WITH TEN OR MORE EMPLOYEES, N.S.W.

Middle Week of -	Cement, Bricks, Glass, &c.	Chemicals etc.	Industrial Metals.	Textiles & Clothing.	Food and Drink.	Wood-work &c.	Paper and Printing.	Rubber.
Number of persons employed - Thousands.								
January, 1936	8.61	5.48	47.02	31.02	23.50	8.23	11.97	2.84
" 1939	11.72	6.95	60.87	35.24	27.45	10.24	14.45	3.45
" 1940	11.70	7.94	66.44	38.18	29.56	8.89	15.01	3.90
September, 1940	12.39	8.94	71.54	40.82	29.14	10.07	14.42	3.64
January, 1941	12.67	8.66	77.60	40.76	30.01	9.89	14.15	3.76
Increase-Jan., 1940 to 1941. %	+ 8.3	+ 9.1	+ 16.8	+ 6.8	+ 1.5	+11.2	- 5.7	- 3.6

In 42 large factories sales in December, 1941 were a record for any month and in the year 1940 amounted to £43.09 million compared with £39.14 m. in 1939 and £37.86 m. in 1938. The number of employees in these factories in December, 1940 was greater than ever before. During 1940 there was an increase of  $7\frac{1}{2}$  per cent. in the number of employees. Overtime working and higher wage rates were supplementary

/factors.....



## PART III (Continued)

factors in the increase of  $12\frac{1}{2}$  per cent. in the amount of wages and salaries paid in these factories in Dec., 1940 in comparison with Dec., 1939. Other comparisons are appended:—

## MANUFACTURING INDUSTRIES - NEW SOUTH WALES.

	All Factories		42 Large Factories.					
	Employment.		Month of December.			Calendar year (monthly average.)		
	January.							
	Number	Index No.	Sales.	Employ- ees.	Wages Paid Weekly.	Sales.	Employ- ees.	Wages Paid Weekly.
	1928-29 =		£000	000	£000	£000	000	£000
	180,756	100						
1932	137,400	76	2,375	15.5	58.7	2,070	14.7	53.7
1937	204,300	113	3,452	23.6	100.0	3,081	22.6	88.2
1938	222,300	123	3,327	23.6	100.8	3,155	23.5	96.0
1939	223,100	123	3,606	24.0	104.5	3,262	23.2	96.9
1940	235,900	131	4,147	25.8	117.7	3,591	24.3	105.6
1941	254,000	141	-	-	-	-	-	-

GAS AND ELECTRICITY. A greater amount of gas and electricity was consumed in Sydney and suburbs in January, 1941 than in the corresponding month of any preceding year. The index number was 41 per cent. above the average in 1929-31 and 12.8 per cent. higher than in January, 1939. The upward trend of gas and electricity sales is a counterpart to the industrial expansion noted above, though the growth of population and more widespread use of modern power machinery and lighting, both commercially and privately, are factors in the long term trend.

## INDEX OF CONSUMPTION OF GAS AND ELECTRICITY - SYDNEY.

	<u>1929.</u>	<u>1932.</u>	<u>1937.</u>	<u>1938.</u>	<u>1939.</u>	<u>1940.</u>	<u>1941.</u>
	Index Numbers: Average, 1929-31 = 100.						
January	103	93	114	119	125	136	141
Calendar Year	105	96	119	123	131	135	-

COAL. A Commonwealth Coal Board to ensure adequate supplies of coal throughout Australia was set up on February 14, 1941. The Board is given power to control supply, distribution, storage and use of coal, and will co-operate with the Coastal Shipping Control Board in accumulating stocks of coal at vital centres throughout Australia.

Collieries in New South Wales are very busy and had 16,750 employees working in January, 1941. Owing to mechanisation of several large mines, the rate of extraction of coal per person employed has increased greatly; although there are about 8,000 fewer employees than in 1927 the output of the collieries is probably as great now as then. The quantity of coal hauled over Government railways in New South Wales was about 12 per cent. greater in the half year ended December, 1940 than a year earlier and in January was approximately 620,000 tons compared with 501,952 tons in January, 1940 and a record for the month.

		<u>January.</u>				
		<u>1937.</u>	<u>1938.</u>	<u>1939.</u>	<u>1940.</u>	<u>1941.</u>
Men Employed in Collieries	000	14.03	15.16	16.24	16.40	16.75
Coal hauled by N.S.W.	000					
Government railways	tons	563	552	567	502	620

/MOTOR VEHICLES.....

PART III (Continued)

**MOTOR VEHICLES.** New motor vehicle sales decreased again in January, 1941 after a mild response to the upward seasonal tendency in the pre-Christmas months. The average of 194 a week was less than one-third of the average in Jan. 1938 (590 a week) and roughly 40 per cent. less for both cars and lorries and vans than in January, 1939.

AVERAGE WEEKLY NUMBER OF NEW MOTOR VEHICLES REGISTERED, N.S.W. ∅

	Cars, Cabs and Omnibuses.						Lorries and Vans.					
	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.
1937-38	414	415	421	483	534	427	210	200	221	246	222	163
1938-39	340	368	343	428	457	325	147	181	177	202	163	117
1939-40	322	270	314	368	344	246	146	126	145	169	127	87
1940-41	88	118	128	173	163	141	53	63	64	77	69	53

∅ Exclusive of vehicles in defence services and also of trailers.

Unless the use of charcoal gas producer units increases greatly (as urged by Federal and State authorities) the use of private motor vehicles is likely to be curtailed further because of the decision announced on Feb. 14, 1941 to reduce the petrol ration for cars not used for business from 4,000 to 3,000 miles a year as from April 1, 1941. Other discouragements are the reduced quota for motor chassis imports from non-sterling countries (see B.S.1941/2B, p.7) and the marked increase in overhead and running costs since the war began. It is understood, however that the reduced chassis import quota may not be enforced for some time.

The Standards Association of Australia has issued an emergency specification for wood charcoal for producer gas. To increase the use of substitute fuels the N.S.W. Government will enact a measure requiring petrol distributors to mix benzol or power alcohol with petrol.

There was a small decrease in the number of motor vehicles on the register in January, 1941 and at the end of that month there were 9,255 fewer cars and 2,023 fewer lorries and vans registered than immediately before the war began.

NUMBER OF REGISTERED MOTOR VEHICLES IN NEW SOUTH WALES.

		1933.	1939.				1940.				1941.
		July.	Jan.	Aug.	Dec.		Aug.	Oct.	Nov.	Dec.	Jan.
Cars	000	148.2	212.6	216.6	216.4		205.2	205.0	205.8	207.4	207.4
Lorries & Vans	000	42.2	76.4	77.6	77.5		74.6	75.1	75.4	75.6	75.6
All Vehicles	000	216.5	303.5	329.2	328.6		312.3	312.7	314.1	316.4	316.2

**RAILWAYS.** Government railways covered working expenses and accrued £4,481,000 toward interest, etc. charges in the six months ended December, 1940 compared with £3,478,000 in the corresponding period of 1939. Factors leading to this record working surplus include an increase in traffic due to the high and rising trend of industrial activity and consequent increased employment and purchasing power, transport of defence personnel and materials, reduction of coastal shipping space, and, possibly effects of petrol rationing. Accelerated movement of this season's wool clip also contributed to the increase in goods ton mileage of 22.8 per cent. in comparison with July-Dec., 1939. Higher wages and dearer materials added to operating costs, which rose 6.5 per cent. but this was greatly outbalanced by the increase of 13.9 per cent. in gross earnings.

The expenditure of £750,000 in construction of rolling stock to meet increased defence and civil transport needs in New South Wales has been authorised. Works to increase facilities for border transhipment of goods and track carrying capacity are also in hand.



PART III (Continued)

Statistical Comparisons of railway operations are:-

NEW SOUTH WALES GOVERNMENT RAILWAYS

	Month of December.			Six months ended 31st December.		
	Passenger Journeys.	Goods Ton Mileage.	Working Surplus.£	Passenger Journeys.	Goods Ton Mileage.	Working Surplus.£
	Million	Million	£000	Million	Million	£000
1931	11.2	168	300	61.7	755	1,522
1937	15.7	214	749	93.6	965	3,375
1938	15.9	209	679	95.4	944	2,574
1939	15.1	197	733	89.1	1,005	3,478
1940	16.5	161	628	94.5	1,234	4,481

£ Excess of earnings over working expenses, exclusive of interest, etc. charges which in 1939-40 amounted to £6,561,000.

ROAD TRANSPORT SERVICES. Travelling on Governmenttrams and omnibuses in Sydney and Newcastle has increased under the same influences as noted above for railway passengers. In the half year ended December there were 12.3 million more passengers carried in 1940 than in 1939. Monthly comparisons are:-

		July	Aug.	Sept.	Oct.	Nov.	Dec.	July-Dec.
1939	Passengers (mill)	29.9	30.5	30.1	31.2	31.5	33.3	186.5
1940	"	31.6	32.1	30.9	34.2	34.3	35.6	198.8

The working surplus of these services increased from £322,000 in the six months ended Dec., 1939 to £433,000 in the corresponding half year of 1940. Economies in working, including substitution of omnibuses for trams on some routes contributed to the improvement. Working expenses increased by only 0.5 per cent. and gross earnings were 5.6 per cent. greater in the six months than a year earlier. Details are as follow:-

GOVERNMENT TRAMWAY AND OMNIBUS SERVICES - SYDNEY AND NEWCASTLE.

	Month of December.				Six Months ended December.			
	Earn-ings.	Working Expenses.	Working Surplus.£	Passen-gers.	Earn-ings.	Working Expenses.	Working Surplus.£	Passen-gers.
	£000	£000	£000	million	£000	£000	£000	million
1937	384	307	76	33.5	2082	1731	351	181.5
1938	393	323	70	33.9	2143	1846	297	186.1
1939	391	323	68	33.3	2189	1867	322	186.5
1940	413	308	104	35.6	2310	1877	433	198.8

£ Excess of earnings over working expenses, exclusive of interest, sinking fund, exchange and depreciation totalling £671,000 in 1939-40.

## PART III (Continued)

BUILDING PERMITS - METROPOLIS.

NOTE: Building permits do not include Government buildings.

Building activity is still considerable but building permits decreased in Jan., 1941 to £696,000 - one of the smallest totals in recent years. Public building contracts (£324,000) were greatest of the war period. Apparent tendencies are for a falling-off of city buildings, flats, shops and hotels. Housebuilding is still considerable but inclined to decrease.

Apart from the sporadic Nov.-Dec., 1940 increase, new housing proposals tend to diminish. Dwellings proposed in July-Jan. were 5,654 this year, 5218 last year and 6642 in 1938-39.

Erection of private buildings of a value of £696,000 was authorised by permits granted in Sydney and suburbs in January, 1941. This was the smallest total of any month excepting Dec., 1939 since March, 1936. It followed upon exceptional totals in Nov. and Dec., 1940 when there was a rush for permits before building proposals of a value exceeding £5,000 became subject to approval of the Commonwealth Treasurer, and may indicate the Nov.-Dec. spurt as an incidental interruption of the declining tendency of private building permits which occurred from July to October, 1940. Notwithstanding that special impetus the total for the seven months ended January was about 12½ per cent. lower in 1940-41 than in 1938-39. The value of permits by months compares as under:-

	<u>July.</u>	<u>Aug.</u>	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>Jan.</u>	<u>Total</u> <u>7 months.</u>
1938-39 £000	1,741	1,202	1,110	933	1,325	937	864	8,112
1939-40 £000	1,522	1,209	800	1,205	797	602	699	6,834
1940-41 £000	1,048	956	840	833	1,284	1,454	696	7,111

Contracts for Government buildings (State, Federal and allied authorities) of a value of £324,000 were accepted in the metropolitan area in January, 1941. This was the highest total of any month of the war period. Combining public contracts and private building permits, it will be seen that a relatively high level of building activity is being maintained:-

		1939		1940				1941
		Sept.	Dec.	Mar.	June.	Sept.	Dec.	Jan.
		Qr.	Qr.	Qr.	Qr.	Qr.	Qr.	
Private Buildings.	£000	3,531	2,603	2,324	2,979	2,844	3,571	696
Public	"	£000	487	248	73	245	318	324
Total	£000	4,018	2,851	2,397	3,224	3,162	3,829	1,020

Since 1938 there has been a very pronounced contraction of private building enterprise in the City of Sydney and an appreciable decrease in the suburbs:-

	City Permits (£000)						Suburban Permits (£000)					
	1936	1937	1938	1939	1940	1941	1936	1937	1938	1939	1940	1941
Year	2309	2543	3409	1886	1534	-	7821	8717	10633	10334	10184	-
January	191	82	159	120	83	24	519	577	746	744	616	671

In January, 1941 values for houses and flats were greater than in Jan., 1940 but there were decreases for other principal classes of buildings. The following

/statement....



## PART III (Continued)

statement illustrates the trend in proposals according to class of building in recent months, though in interpreting it the exceptional circumstances behind the high values in Nov. and Dec., 1940 should be taken into account.

	Houses.		Flats. (a)	Hotels	Shops (b)	Factories (c)	Other Buildings	Total.
	<u>Brick</u>	<u>Wood, &amp; Fibro</u>						
Value of permits granted - £ Thousand.								
Year 1938 ø	408	76	283	70	48	82	203	1,170
1939 ø	373	76	232	44	43	111	139	1,018
1940 ø	391	74	224	51	31	98	107	976
Jan., 1939	332	63	148	27	21	211	62	864
Jan., 1940	305	37	95	25	43	50	144	699
July, "	465	57	180	174	10	71	91	1,048
Aug., "	458	72	183	36	21	106	80	956
Sept., "	373	66	168	11	30	86	106	840
Oct., "	398	54	194	28	21	79	59	833
Nov., "	446	58	228	61	76	218	197	1,284
Dec., "	326	43	669	13	21	156	226	1,454
Jan., 1941	410	49	140	5	16	41	35	696

ø Monthly average. Including (a) conversions to flats, (b) shops with dwellings and (c) public garages.

House-building appears to be declining somewhat after appreciable revival in the middle months of 1940. There is fair activity in the erection of flats and the building of factories but for shops and hotels values in most recent months have been a good deal below the average in 1938 or 1939.

**DWELLINGS.** At no time in the past seven months did the number of houses included in permits in the metropolis reach the number in the corresponding months of 1938-39. The number of dwellings in new flat buildings also shows a material decline if the extraordinary numbers in Nov. and Dec., 1940 are disregarded, and even including the new flat dwellings proposed in the seven months just ended were nearly 10 per cent. below the number in July-Jan., 1938-39. Some of the factors tending to discourage house building are higher costs of building, the small number of new building societies forming and absorption of the greater part of the lending capacity of existing societies, and general reactions to the war and higher taxation. Comparative particulars of the number of new houses and dwellings in new flat buildings covered by building permits are as follow:-

		July.	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Total 7 months.
<u>New Houses.</u>	1938-39	614	665	529	489	515	395	438	3,645
	1939-40	637	644	355	482	430	298	358	3,204
	1940-41	515	645	459	457	473	341	426	3,316
<u>New Flat Dwellings.</u>	1938-39	599	534	593	296	196	381	201	2,800
	1939-40	574	374	184	244	232	128	119	1,855
	1940-41	253	267	218	271	322	1005	200	2,536

The following statement provides a summary of trends in the provision of housing in recent years. After reaching a post-depression peak in 1938 (largely due to unprecedented flat building) the number of dwellings proposed has again fallen below the pre-depression level. The decrease since 1938 has been mainly in respect of flat dwellings but the building of new houses has also declined appreciably.

PART III (Continued)

NUMBER OF DWELLINGS INCLUDED IN PRIVATE BUILDING PERMITS - METROPOLIS.

Year.	Houses.		With Shops & Hotels	In New Flats.	Converted to Flats.	Total New Dwellings.	Demolitions and Con- versions.	Net Add- itional Dwellings.
	Brick etc.	Wood, Fibro.						
	Number of Dwelling Units.							
1929	5,704	1,391	550	2,040	507	10,192	338	9,854
1936	3,509	877	199	3,340	449	8,374	321	8,053
1937	3,702	1,150	144	3,436	494	8,926	436	8,490
1938	4,652	1,685	239	5,184	419	12,179	326	11,853
1939	4,186	1,661	201	3,751	338	10,137	315	9,822
1940	4,249	1,457	114	3,802	219	9,841	283	9,558
July-Jan.								
1938-39	2,610	1,035	162	2,800	208	6,815	173	6,642
1939-40	2,347	857	127	1,855	203	5,389	171	5,218
1940-41	2,566	650	55	2,436	91	5,798	144	5,654
Jan., 1941	346	80	1	200	12	639	14	625